

**RFP # 004-07-SED**  
**SECTION ONE**  
**GENERAL INFORMATION AND REQUESTED PRODUCTS/SERVICES**

1.1 INTRODUCTION

The Indiana Secretary of State, Securities Division (“Division”), requires a provider to create and administer the *principal manager* and *originator* registration examinations. It is the intent of the Division to solicit responses to this Request for Proposals (RFP) in accordance with the statement of work, proposal preparation section, and specifications contained in this document.

1.2 DEFINITIONS AND ABBREVIATIONS

Following are explanations of terms and abbreviations appearing throughout this RFP. Other special terms may be used in the RFP, but they are more localized and defined where they appear, rather than in the following list.

|                        |  |
|------------------------|--|
| Acceptance             | The designated period following completion of preparation and administration of registration examinations. During the acceptance period, the Division will evaluate all features and performance of the administration of registration examinations. |
| IAC                    | The Indiana Administrative Code  |
| Ind. Code              | The Indiana Code   |
| Implementation         | The successful development and administration of registration examinations for <i>principal managers</i> and <i>originators</i> as specified in the contract resulting from this RFP.  |
| Installation           | The delivery and physical setup of products or services requested in this RFP.   |
| Joint Bid              | When more than one company submits a proposal in order to be contracted in the RFP process. (The Division does not allow joint bids).  |
| Originator             | As defined in Ind. Code § 23-2-5-3(h): A person who engages in origination activities.   |
| Origination Activities | As defined in Ind. Code § 23-2-5-3(g): The communication with or assistance of a borrower or prospective borrower in the selection of loan products or term.   |
| Registrant             | A <i>principal manger</i> or <i>originator</i> permitted to practice origination activities in Indiana.  |
| Principal Manager      | As defined in pending legislation 2007 (HB 1717 § 3: Ind. Code § 23-2-5-3(l)): an individual that is principally responsible for the supervision and management of the employees and business affairs of the licensee.                               |
| Products               | Tangible goods or manufactured items as specified in this RFP.   |

|              |   |
|--------------|---|
| Proposal     | An offer as defined in Ind. Code § 5-22-2-17.   |
| Respondent   | An offeror as defined in Ind. Code § 5-22-2-18.   |
| Services     | Work to be performed as specified in this RFP.  |
| State agency | As defined in Ind. Code § 4-13-16.5-1<br>A) An authority, board, branch, commission, committee, department, division, or other instrumentality of the executive, including the administrative department of state government.<br>B) An entity established by the general assembly as a body corporate and politic.<br>C) A state educational institution. |
| Vendor       | Any successful respondent selected as a result of the procurement process to deliver the products and services requested by this RFP.   |

### 1.3 PURPOSE OF THE RFP

**DESCRIPTION:** Under pending legislation 2007 (HB 1717 § 6: Ind. Code § 23-2-5-5(d)), the Division is required to prepare and administer the *principal manager* and *originator* registration examination to applicants applying for registration.

#### **DETAILS:**

##### **SYSTEM DESIGN:**

The vendor selected to prepare and administer the *principal manager* and *originator* registration examinations must do the following:

- (1) Develop and maintain unique forms of the *principal manager* and *originator* registration examination, which shall include, loan programs, loan process, Federal loan broker law, including but not limited to the Real Estate Settlement Procedures Act, Equal Credit Opportunity Act, Truth In Lending, Home Mortgage Disclosure Act, and Fair Credit Reporting Act, and where appropriate, questions on the Indiana loan broker law, rules and regulations contained in Ind. Code Chapter 23-2-5 and Ind. Admin. Code Chapter 710 IAC 1-22.
- (2) Provide for review and approval of the Division the pool of questions to use for examinations in Indiana.
- (3) Design and produce a loan broker candidate information handbook that is customized to meet the needs of the Division and distribute sufficient quantities to the Division and other designated parties upon request.
- (4) Obtain the Division's approval for the initial handbook and any subsequent versions as well as any other candidate information material.
- (5) Delivery of examination services:
  - (a) offer examinations in at least five (5) testing centers with at least one (1) center offering daily testing in Indiana and adjoining states These testing centers must be available

Monday through Friday for testing and have the capacity to hold at least ten (10) examinees in one (1) session. All test center locations shall be approved by the Division.

- (b) provide a toll-free telephone and internet-based reservation system, schedule examination appointments and provide confirmation numbers for all candidates through the vendor's toll-free telephone and internet-based reservation system.
  - (c) collect examination fees from the candidates during registration. Fees must be accepted in the form of credit card, debit card, personal check by phone, or by pre-purchasing a voucher.
  - (d) obtain Division approval the *principal manager* and *originator* examination fees and on fee changes.
  - (e) provide immediate candidate score reports following the examination administration at each testing center. Failing score reports will include diagnostics for each component of each examination administered and scheduling information for retaking the examinations.
  - (f) provide to the Division candidate score reports by close of the following business day following completion of the examination.
  - (g) take appropriate steps to ensure accessibility of examination to persons with disabilities and otherwise comply with all requirements of the Americans with Disabilities Act.
  - (h) provide to the Division a monthly summary of examination registrations, summary of attendance, and a summary of examination performance.
  - (i) provide for candidate review of the loan broker examination in accordance with guidelines mutually agreed upon by the Division and vendor.
- (6) Administer the *principal manager* and *originator* registration examinations for the Division. All examinations administered shall conform to the requirements of Indiana law, rules, and regulations.
- (7) Provide the services through a computer based testing system. This system includes on-site examination scoring, the issuance of score reports to the Division, and the printing of registration applications.
- (8) Promptly address any questions the Division may have concerning the examination content, the grading and scoring.

#### **SYSTEM SECURITY:**

- (1) Adequate methods and procedures for safeguarding confidentiality and securing the information to be provided.
- (2) All data shall remain the property of the Division at all times and shall not, under any circumstances, be divulged to other parties without the express permission of the Division. The vendor's personnel shall only have access to the data for maintenance of the system, unless specifically authorized by the Division.

- (3) The vendor shall ensure that input personnel and those persons with access to the information have adequate security clearances. The Division reserves the right to initiate background checks on these individuals
- (4) The system's security shall be protected with unique user identifications and passwords at the system, file, and function level. The Division shall provide a list of personnel who are authorized to access the data; the system shall incorporate this list and update it as required.

Respondents should carefully review the attached contract draft Attachment A (sample contract) and section 2.4 of the RFP for additional details.

#### 1.4 SCOPE OF THE RFP

This document contains the following information that may be useful to anyone wishing to submit a proposal:

Section One -- A description of many factors affecting the proposal process and procedures.

Section Two -- A description of the required format and subject content of any acceptable proposals offered in response to this document.

Section Three -- A general discussion of the method that will be used by an evaluation team in selecting a respondent to recommend to Division officials with whom to enter contract negotiations.

Attachments -- Details supporting this basic RFP document.

#### 1.5 ISSUING OFFICE

In accordance with Indiana statute, the Indiana Secretary of State, Securities Division has issued this RFP. The content has been prepared by the staff of the Division and others. This RFP is being posted to the Division's website (<http://www.sos.in.gov/securities>). One copy of this RFP may be provided free of charge. A nominal fee will be charged for providing additional copies.

#### 1.6 DUE DATE FOR PROPOSALS AND QUESTIONS

All proposals must be received at the address below by the Division no later than **3 p.m. Eastern Daylight Time on May 25, 2007**. Each respondent must submit one original (marked "Original") and four (4) complete copies of the proposal, including the transmittal letter and other related documentation as required in this RFP. No more than one proposal per respondent should be submitted.

Each copy of the proposal must follow the format indicated in Section Two of this document. Unnecessarily elaborate brochures or other presentations, beyond that sufficient to present a complete and effective proposal, are not desired. All proposals must be addressed to:

David Maxwell  
Securities Division  
Indiana Secretary of State  
302 West Washington Street, E-111  
Indianapolis, IN 46204

All proposal packages must be clearly marked with the RFP number, due date, and time due. Any proposal received by the Division after the due date and time will not be considered. Any late proposals will be returned, unopened, to the respondent upon request. All rejected proposals not claimed within 30 days of the proposal due date will be destroyed

No more than one proposal per respondent should be submitted.

The Division accepts no obligations for costs incurred by respondents in anticipation of being awarded a contract.

**Caution to respondents about shipping/mailing:** United States Postal Express and Certified Mail are both delivered to the Indiana Secretary of State Mailroom and not directly to the Division. It is the responsibility of the respondent to make sure that solicitation responses are received by the Division on or before the designated time and date.

#### Questions/Inquiries

All questions regarding this RFP must be submitted in writing to the above address no later than **3 p.m. Eastern Daylight Time on May 9, 2007**. Inquiries may also be submitted via fax (317-233-3675) or email [drmaxwell@sos.in.gov](mailto:drmaxwell@sos.in.gov) and must be received by the Division by the time and date indicated above. Questions submitted after 3 p.m. may not be considered.

Questions and answers will be made available upon request.

Inquiries are not to be directed to any other staff member of the Indiana Secretary of State's Office. Such action may disqualify respondent from further consideration for a contract as a result of this RFP.

#### 1.7 MODIFICATION OR WITHDRAWAL OF OFFERS

Responses to this RFP may be modified or withdrawn in writing or by fax notice received prior to the exact hour and date specified for receipt of proposals. The respondent's authorized representative may also withdraw the proposal in person, providing his or her identity is made known and he or she signs a receipt for the proposal. Proposals may not be withdrawn after the proposal due date and time has passed.

Modification to or withdrawal of a proposal received by the Division after the exact hour and date specified for receipt of proposals will not be considered. If it becomes necessary to revise any part of this RFP or if additional data is necessary for an exact interpretation of provisions of this RFP prior to the due date for proposals, a supplement will be posted by the Division to the Division's website. If such addenda issuance is necessary, the Division reserves the right to extend the due date and time of proposals to accommodate such interpretations or additional data requirements.

#### 1.8 PRICING

The Division requests the pricing associated with this RFP be a firm proposal price that must remain open and in effect for a period of not less than 180 days from the proposal due date.

Cost to develop and administer the registration examination for *principal managers* and *originators* shall be provided on a per person basis. Respondents are advised that the Division currently has an estimated 3,300 registrants, who will be required to successfully pass the examination. Also be advised that the average net intake per month is estimated at 235 examination applicants. The Division does not warrant, nor guarantee a minimal number of applicants

The State of Indiana will not pay the selected respondent for these services. Respondent will receive payment from applicants at the time of testing. Respondents must propose pricing on a per participant basis. Respondents must, based on the per participant rate and the Respondent's assessment of the number of persons likely to participate, propose a maximum dollar amount for each year of the contract. This

maximum dollar amount must be utilized for completing the MWBE Participation Plan (Attachment B) and the Indiana Economic Impact Form (Attachment C). The per participant rate must be an all inclusive, total cost. Per participant pricing shall include the following factors:

- Create standardized registration examinations for *principal managers* and *originators*. The registration examination should be designed to contain all required questions and to be completed in two (2) to three (3)) hours, providing two examination sessions per day.
- Administer the registration examinations electronically. However, individuals who are unable to take the electronically administered examination because of a disability may apply to take a paper and pencil examination, which shall be provided and administered by the vendor.
- Provide at least five (5) easily accessible testing sites in Indiana and adjoining states. The testing sites must have the capacity to hold at least ten (10) examinees at one session. The testing sites must also be well lit, have heating/air conditioning, be quiet, have an office type atmosphere, and provide enough space for each examinee to ensure privacy. These testing sites must be available at least Monday through Friday for testing.
- Establishing the examination schedule.
- Verification of examination candidate's application to take the registration examination.
- Maintain and provide accurate information to examination candidates and the Division.
- Maintenance of a toll-free phone line and website for providing information to interested parties.
- Any fees to be paid to subcontractors to assist in carrying out the mandatory services.
- Office expenses.
- Monthly summary reports to the Division indicating the names of examinees, location of examination sites, and pass/fail information.
- Annual summary report to the Division indicating the total amount of examinees for the year for each type of examination, location of examination site, and pass/fail information.
- Staff to provide information and answer questions prior to the examination.

#### 1.9 DISCUSSION FORMAT/BEST AND FINAL OFFERS

The Division reserves the right to conduct discussions, either oral or written, with those respondents determined by the Division to be reasonably viable to being selected for award. If discussions are held, the Division may request best and final offers. The Division will schedule all discussions. Any information gathered through oral discussions should be confirmed in writing.

The request for best and final offers may include:

- Notice that discussions are concluded.
- Notice that this is the opportunity to submit written best and final offers.
- Notice of the date and time for submission of the best and final offer.
- Notice that if any modification is submitted, it must be received by the date and time specified or it will not be considered.

- Notice of any changes in the Division's requirements.

The Division reserves the right to reject any or all proposals received or to award, without discussions or clarifications, a contract on the basis of initial proposals received. Therefore, each proposal should contain the respondent's best terms from a price and technical standpoint. The Division reserves the right to reopen discussions after receipt of best and final offers if it is clearly in the Division's best interest to do so and the Securities Commissioner or designee makes a written determination of that fact. If discussions are reopened, the Division may issue an additional request for best and final offers from all respondents determined by the Division to be reasonably susceptible to being selected for award.

Following evaluation of the best and final offers, the Division may select for negotiations the offers that are most advantageous to the Division, considering price or cost and the evaluation factors in the RFP.

The Division also reserves the right to conduct clarifications to resolve minor issues. If only clarifications are sought, best and final offers may not be requested. The Division retains sole authority to determine whether contact with respondents is for clarification or discussion.

#### 1.10 CONTRACT NEGOTIATIONS

After recommendation of a selected respondent by appropriate officials of the Division, contract negotiations will commence. The contract will be based primarily on the required clauses of the Division as indicated in the Division contract as appears in Attachment A of this document; secondly, on those required clauses by the respondent that are acceptable to the Division; and, additionally, on any desirable clauses that either party would like to incorporate into the contract. If at any time contract negotiation activities are judged to be ineffective by the Securities Commissioner or designee, the Division will cease all activities with that respondent and begin contract negotiations with the next highest ranked respondent. This process may continue until either both the respondent and the Division execute a completed contract or the Division determines that no acceptable alternative proposal exists.

#### 1.11 REFERENCE SITE VISITS

The Division may request a site visit to a respondent's working support center to aid in the evaluation of the respondent's proposal.

#### 1.12 TYPE AND TERM OF CONTRACT

The Division intends to sign a contract with one or more respondent(s) to provide the complete set of products and services listed in this RFP. The Division will not entertain joint bids.

The term of this contract shall begin July 1, 2007 (or from date of final Division approval of contract), and end June 30, 2009. There may be renewals for a total of two (2) more years at the Division's option.

#### 1.13 CONTRACT OBLIGATIONS

Attachment A of this document is the form of the expected contract resulting from this RFP. Although the Division anticipates that any respondent submitting a proposal will provide the major portion of the products and services as requested, subcontracting by the respondent is acceptable in performing the requirements of this RFP. However, the respondent must obtain the approval of the Division before subcontracting any portion of the project's requirements and the subcontractor must have registered with the Indiana Secretary of State at least 45 days prior to the issuance date of this RFP if they are a regular corporation, Sub Chapter S Corporation, Limited Liability Corporation, Limited Partnership or Not for

Profit Corporation. The respondent is responsible for the performance of any obligations that may result from this RFP and shall not be relieved by the non-performance of any subcontractor. Any respondent's proposal must identify all subcontractors, indicate that the subcontractor was registered with the Indiana Secretary of State at least 45 days prior to the issuance date of this RFP and outline the contractual relationship between the respondent and each subcontractor. Either a copy of the executed subcontract or a letter of agreement over the official signature of the firms involved must accompany each proposal. This RFP is subject to the Minority Business and Women's Enterprise Program. The requirements are explained elsewhere in the RFP.

Any subcontracts entered into by the respondent must be in compliance with all State of Indiana statutes and be subject to the provisions thereof. For each portion of the proposed products and services to be provided by a subcontractor, the technical proposal must include the identification of the functions to be provided by the subcontractor and the subcontractor's related qualifications and experience.

The combined qualifications and experience of the respondent and any or all subcontractors will be considered in the Division's evaluation. The respondent must furnish information to the Division as to the amount of the subcontract, the qualifications of the subcontractor for guaranteeing performance, and any other data that may be required by the Division. All subcontracts held by the respondent must be made available upon request for inspection and examination by appropriate Division officials and such relationships must meet with the approval of the Division.

#### 1.14 CONFIDENTIAL INFORMATION

Respondents are advised that materials contained in proposals are subject to the Indiana Public Records Act, Ind. Code § 5-14-3 *et seq.*, and, after the contract award, may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the Indiana Public Records Act must place all confidential documents (including the requisite number of copies) in a sealed envelope clearly marked "Confidential" and must indicate in the transmittal letter and on the outside of that envelope that confidential materials are included. The respondent must also specify which statutory exception provision applies. The Division reserves the right to make determinations of confidentiality. If the Division does not agree that the information designated is confidential under one of the disclosure exceptions to the Indiana Public Records Act, it may either reject the proposal or discuss its interpretation of the allowable exceptions with the respondent. If agreement can be reached, the proposal will be considered. If agreement cannot be reached, the Division will remove the proposal from consideration for award and return the proposal to the respondent. The Division will not determine prices to be confidential information.

#### 1.15 STATE OF INDIANA OBLIGATIONS

The Division accepts no obligations for costs incurred by respondents in anticipation of being awarded a contract.

The Division creates no obligation, expressed or implied, by issuing this RFP or by receipt of any responses submitted pursuant hereto. The award of any contract(s) as a result of this RFP shall be at the sole discretion the Division. Neither this RFP nor any response (proposal) submitted hereto are to be construed as a legal offer.

#### 1.16 CONTRACT COMPONENTS

Any or all portions of this RFP and normally any or all portions of the respondent's response will be incorporated by reference as part of the final contract. Proprietary or confidential material submitted properly (see Section 1.14) will not be disclosed.

#### 1.17 PROPOSAL LIFE

All proposals made in response to this RFP must remain open and in effect for a period of not less than 180 days after the due date for proposals. Any proposal accepted by the Division for the purpose of contract negotiations shall remain valid until superseded by a contract or until rejected by the Division.

#### 1.18 TAXES

The Division is exempt from federal, state, and local taxes. The Division will not be responsible for any taxes levied on the respondent as a result of the contract resulting from this RFP.

#### 1.19 SECRETARY OF STATE REGISTRATION

In accordance with Ind. Code § 5-22-16-4, before a respondent can do business with the Division, the respondent must be registered with the Indiana Secretary of State. In order to be considered responsible, an offeror that is a business required to register with the Secretary of State must have registered with the Secretary of State at least 45 days before the RFP issuance date. If a respondent does not have such registration at present, the respondent should contact:

Secretary of State of Indiana  
Business Services Division  
302 West Washington Street, E018  
Indianapolis, IN 46204  
(317) 232-6576

for the necessary application form, keeping in mind that the respondent will not be considered responsible for a current solicitation. It is each respondent's responsibility to assure that registration was at least 45 days prior to issuance of the RFP. Registration information will be verified prior to RFP recommendation.

#### 1.20 EQUAL OPPORTUNITY COMMITMENT

Pursuant to Ind. Code § 4-13-16.5 and in accordance with Ind. Admin. Code 25 IAC 2-20, it has been determined that there is a reasonable expectation of minority business enterprise participation in this contract. Therefore a contract goal of 5% IDOA certified minority business enterprise participation and 5% IDOA certified woman business enterprise has been established and all respondents and their subcontractors will be expected to comply with the regulation set forth in Ind. Admin. Code 25 IAC 2-20.

Compliance with these regulations will be considered to be a demonstration of the respondent's responsiveness and responsibility. Failure to comply with these regulations may result in the determination of the respondent as non-responsive. For further instructions, please consult Ind. Admin. Code 25 IAC 2-20.

#### 1.21 MINORITY BUSINESS ENTERPRISE PARTICIPATION PLAN

In accordance with Ind. Admin. Code 25 IAC 5-1-8, the respondent must submit within the proposal a Minority and Women's Business Enterprise participation plan. Failure to provide the minority and

women's business participation plan at the time of proposal submission may result in the disqualification and rejection of the proposal. Please note that the Division reserves the right to verify all information included on minority and women's business enterprise participation plans before making final determinations of the respondent's responsiveness.

Additionally, the plan must show that there are Indiana Department of Administration (IDOA) certified racial minority owned enterprises and IDOA certified women owned enterprises participating in the contract. The participation can be, but is not limited to, a subcontractor or second tier participation with common suppliers such as office supplies, courier services and/or janitorial services. The respondent submitting an offer must indicate the name of the IDOA certified racial and women owned firms that will participate in the award, a contact name and phone number, the service to be supplied and the specific dollar amount from this contract that will be directed toward each firm.

The respondent is expected to demonstrate a good faith effort to meet the participation goal of 5% for IDOA certified minority participation and 5% for IDOA certified women owned business participation. A good faith effort consists of documenting the effort that was made to achieve the goal. Respondents are encouraged to contact and work with the Minority Business and Women's Enterprise Division of the Indiana Department of Administration to design a plan to meet established goals. The Minority Business and Women's Enterprise Division's website address is as follows: [www.in.gov/idoa/minority](http://www.in.gov/idoa/minority) and contains a complete list of all IDOA certified MWBE's.

By submission of the proposal, the respondent thereby acknowledges and agrees to be bound by the regulatory processes involving the State of Indiana's Minority and Women's Business Enterprise Program. Questions involving the regulations governing the minority and women's business enterprise participation plan should be directed to:

Minority Business and Women's Enterprise Division  
Indiana Department of Administration  
402 W. Washington St., Room W469  
Indianapolis, IN 46204  
(317) 233-6607

#### 1.22 U.S. MANUFACTURED

Each proposal must contain an explanation of what steps will be used to encourage the use of American-made products. The Division does apply a U.S. Manufactured preference as set out in Ind. Code § 5-22-15-21.

#### 1.23 RECYCLED PRODUCTS

Each proposal should contain an explanation of what recycled materials are used and identify the recyclability of products offered in response to this RFP.

#### 1.24 AMERICANS WITH DISABILITIES ACT

The respondent specifically agrees to comply with the provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.* and 47 U.S.C. 225).

#### 1.25 SUMMARY OF MILESTONES

The following timeline is only an illustration of the RFP process. The dates associated with each step are not to be considered verbatim. Due to the unpredictable nature of the evaluation period, these dates are commonly subject to change. At the conclusion of the evaluation process all respondents will be informed of the evaluation team's findings, according to the choice of notification they selected in Attachment C.

| <u>ACTIVITY</u>                     | <u>COMPLETION DATE</u> |
|-------------------------------------|------------------------|
| Respondent inquiry period ends      | May 9, 2007            |
| Final State responses to inquiries  | May 16, 2007           |
| Proposal submission date            | May 25, 2007           |
| Proposal Evaluation                 | June 6, 2007           |
| Proposal Discussions/Clarifications | June 13, 2007          |
| Contract Awarded*                   | June 20, 2007          |
| Contract negotiations*              | June 21, 2007          |
| Contract signed *                   | June 30, 2007          |

*\* These dates are subject to the determination of the need for discussions. If discussions are not required, the process could reach a completion date earlier than the listed date for contract signature.*

## SECTION TWO PROPOSAL PREPARATION INSTRUCTIONS

### 2.1 GENERAL

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is documented in this section. All respondents are required to format their proposals in a manner consistent with the guidelines described below:

- Each item must be addressed in the respondent's proposal or the proposal may be rejected.
- The transmittal letter should be in the form of a letter. The business and technical proposals must be organized under the specific section titles as listed below.
- The Division may, at its option, allow all respondents a five-calendar-day period to correct errors or omissions to their proposals. Should this necessity arise, the Division will contact each respondent affected. Each respondent must submit written corrections to the proposal within five calendar days of notification. The intent of this option is to allow proposals with only minor errors or omissions to be corrected. Major errors or omissions, such as the failure to include prices, will not be considered by the Division as a minor error or omission and may result in disqualification of the proposal from further evaluation.

### 2.2 TRANSMITTAL LETTER

The Transmittal Letter must address the following topics except those specifically identified as "optional."

#### 2.2.1 Summary of Ability and Desire to Supply the Required Products and Services

The transmittal letter must briefly summarize the respondent's ability to supply the requested products and services that meet the application requirements defined in Section Three of this RFP. The letter must also contain a statement indicating the respondent's willingness to provide the requested products and services subject to the terms and conditions set forth in the RFP including, but not limited to, the Division's mandatory contract clauses.

#### 2.2.2 Signature of Authorized Representative

A person authorized to commit the respondent to its representations and who can certify that the information offered in the proposal meets all general conditions including the information requested in Section 2.3.4, must sign the transmittal letter. **In the transmittal letter please indicate the principal contact for the proposal along with an address, telephone and fax number as well as an e-mail address if different than individual authorized for signature.**

#### 2.2.3 Respondent Notification Request

Unless otherwise indicated in the Transmittal Letter, respondents will be notified via e-mail.

It is the respondent's obligation to notify the Division of any changes in address that may have occurred since the origination of this solicitation. The Division will not be held responsible for incorrect vendor/contractor addresses.

#### 2.2.4 Other Information

This item is optional. Any other information the respondent may wish to briefly summarize will be acceptable.

### 2.3 BUSINESS PROPOSAL

The Business Proposal must address the following topics except those specifically identified as "optional."

#### 2.3.1 General

This optional section of the business proposal may be used to introduce or summarize any information the respondent deems relevant or important to the Division's successful acquisition of the products and services requested in this RFP.

#### 2.3.2 Respondent Company Structure

The legal form of the respondent's business organization, the state in which incorporated (if a corporation), the types of business ventures in which the organization is involved, and a chart of the organization are to be included in this section. If the organization includes more than one product division, the division responsible for the development and marketing of the requested products and services in the United States must be described in more detail than other components of the organization.

#### 2.3.3 Company Financial Information

This section must include the respondent's financial statement, such as an income statement or balance sheet, for each of the two most recently completed fiscal years. The financial statements must demonstrate the respondent's financial stability. If the organization includes more than one product division, separate financial statements must be provided for the division responsible for the development and marketing of the requested products and services.

#### 2.3.4 Integrity of Company Structure and Financial Reporting

This section must include a statement indicating that the CEO and/or CFO has taken personal responsibility for the thoroughness and correctness of any/all financial information supplied with this proposal. The particular areas of interest to the Division in considering corporate responsibility, which are mandatory, include the following items: separation of audit functions from corporate boards and board members, if any, the manner in which the firm assures board integrity, the separation of audit functions and consulting services. The Division will consider the information offered in this section to determine the responsibility of the offeror per Ind. Code § 5-22-16-1(d).

Federal law H.R. 3763, the “Sarbanes Oxley Act of 2002” is NOT directly applicable to this acquisition; however, its goals and objectives were used to develop our mandatory areas of interest.

#### 2.3.5 Facilities and Resources

The respondent should include information with regard to the organization’s resources that it deems advantageous to the successful provision of the requested products and services. This might include management capabilities and experience, technical resources, and operational resources not directly assigned to this project, but available if needed.

#### 2.3.6 Required Contract Clauses

Indiana law requires the inclusion of certain language in all contracts. Also, the nature of the products and services requested in this RFP may present a need for the inclusion of certain commitments in any contract resulting from this RFP. Attachment A of this document contains a sample contract that could be similar to the one resulting from this RFP. Some clauses within the sample contract are mandatory and other clauses are desirable to the Division. NOTE: Those clauses that are mandatory are as follows:

- Duties of contractor, rate of pay, and term of contract
- Conflict of Interest
- Drug-free workplace provision and certification
- Funding Cancellation
- Non-collusion and Acceptance
- Non-discrimination clause
- Ethics

Respondents should review these clauses in detail because a specific agreement to these clauses is required in the Transmittal Letter. If a respondent wishes to suggest alternative wording for one or more of these mandatory clauses without changing the intent, these suggestions may, at the respondent’s option, be documented in this section of the Business Proposal. The respondent’s suggested language will be considered by the Division during the contract negotiation process. The Division’s willingness to consider alternative language does not change the requirement that the respondent agree in the Transmittal Letter to the acceptance of the Division mandatory clauses as written. Attachment A also includes a number of desirable clauses that the Division seeks to include in any contract resulting from this RFP but which it does not consider mandatory. For each of these desirable clauses, the respondent should either indicate that the desired clause is acceptable as worded; suggest specific alternative wording to address issues raised by the specific clause; or indicate the desired clause is unacceptable and state why. Any language required by a respondent that is found to be unacceptable to the Division may lead to the rejection of that respondent’s proposal.

#### 2.3.7 Pricing and Charges

The Division requests the pricing associated with this RFP be a firm proposal price that must remain open and in effect for a period of not less than 180 days from the proposal due date.

Cost to develop and administer the registration examination for *principal managers* and *originators* shall be provided on a per person basis. Respondents are advised that the Division currently has an estimated 3, 300 registrants, who will be required to successfully pass the examination. Also be advised that the average net intake per month is estimated at 235 examination applicants. The Division does not warrant, nor guarantee a minimal number of applicants

The Division will not pay the selected respondent for these services. Respondents will receive payment from applicants at the time of testing. Respondents must propose pricing on a per participant basis. Respondents must, based on the per participant rate and the Respondent's assessment of the number of persons likely to participate, propose a maximum dollar amount for each year of the contract. This maximum dollar amount must be utilized for completing the MWBE Participation Plan (Attachment B) and the Indiana Economic Impact Form (Attachment C) ). The per participant rate must be an all inclusive, total cost. Per participant pricing shall include the following factors:

- Create standardized registration examinations for *principal managers* and *originators*. The registration examination should be designed to contain all required questions and to be completed in two (2) to three (3) hours, providing two examination sessions per day.
- Administer the registration examinations electronically. However, individuals who are unable to take the electronically administered examination because of a disability may apply to take a paper and pencil examination, which shall be provided and administered by the vendor.
- Provide at least five (5) easily accessible testing sites in Indiana and adjoining states. The testing sites must have the capacity to hold at least ten (10) examinees at one session. The testing sites must also be well lit, have heating/air conditioning, be quiet, have an office type atmosphere, and provide enough space for each examinee to ensure privacy. These testing sites must be available at least Monday through Friday for testing.
- Establishing the examination schedule.
- Verification of examination candidate's application to take the registration examination.
- Maintain and provide accurate information to examination candidates and the Division
- Maintenance of a toll-free phone line and website for providing information to interested parties.
- Subcontractors to be utilized, including job title, salaries, and part-time or full-time status.
- Office expenses.
- Monthly reports to the Division indicating the names of examinees, location of examination sites, and pass/fail information.
- Annual report to the Division indicating the total amount of examinees for the year for each type of examination, location of examination site, and pass/fail information.

- Staff to provide information and answer questions prior to the examination.

#### 2.3.8 References

The respondent should include a list of at least three (3) clients for whom the respondent has provided products and services that are the same or similar to those products and services requested in this RFP. Any state government for whom the respondent has provided these products and services should be included; also to be included should be clients with locations near Indianapolis, as site visits may be arranged. Information provided should include the name, address, and telephone number of the client facility and the name, title, and phone/fax numbers of a person who may be contacted for further information. The more similar the referenced products and services are to those requested in this RFP, a greater weight may be attached to the references in the Division's evaluation process.

#### 2.3.9 Registration to do Business

Selected respondents and any proposed subcontractors providing the products and/or services required by this RFP must have been registered to do business within the state by the Indiana Secretary of State at least 45 days before the issuance of the RFP to be considered responsible. The contact information for this office may be found in Section 1.19 of this RFP. This process must have been concluded 45 days prior to the issuance of the RFP. It is the successful respondent's responsibility to complete the required registration with the Secretary of State and to be aware of any proposed subcontractors registration status. The respondent must indicate the status of registration, if applicable, in this section of the proposal.

#### 2.3.10 Authorizing Document

Respondent personnel signing the Transmittal Letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section shall contain proof of such authority. A copy of corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

#### 2.3.11 Subcontractors

The respondent must list any subcontractor's name, address and state of incorporation that are proposed to be used in providing the required products and services. The subcontractor's responsibilities under the proposal, anticipated dollar amount for subcontract, the subcontractor's form of organization, indication that the subcontractor was registered with the Indiana Secretary of State at least 45 days prior to the issuance date of this RFP (see Section 1.13 for forms of businesses required to register), if required, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the respondent of any responsibilities in responding to this RFP or in completing the commitments documented in the proposal. The respondent must indicate which, if any, subcontractors qualify as a Minority or Women Owned Business under Ind. Code § 4-13-16.5-1. See Section 1.21 and Attachment B for Minority and Women Business information.

### 2.3.12 Respondent Contract Requirements (Optional)

If the respondent wishes to include any language other than that discussed in the Business Proposal, this language should be included in this section. For each clause included in this section, the respondent should indicate that the clause is required by the respondent in any contract resulting from this RFP and why it is required (if the required clause is unacceptable to the Division, the respondent's proposal may be considered unacceptable) or indicate that the clause is desired (but not required) by the respondent in any contract resulting from this RFP.

## 2.4 TECHNICAL PROPSOAL

The Technical Proposal must be divided into the sections as described below. Every point made in each section must be addressed in the order given. The same outline numbers must be used in the response. RFP language should not be repeated within the response. Where appropriate, supporting documentation may be referenced by a page and paragraph number. However, when this is done, the body of the technical proposal must contain a meaningful summary of the referenced material. The referenced document must be included as an appendix to the technical proposal with referenced sections clearly marked. If there are multiple references or multiple documents, these must be listed and organized for ease of use by the Division.

Respondents must prepare a technical proposal that addresses the respondent's plan to accomplish all of the following requirements. The vendor selected to prepare and administer the *principal manager* and *originator* registration examinations must do the following:

- (1) Develop and maintain unique forms of the *principal manager* and *originator* registration examination, which shall include, loan programs, loan process, Federal loan broker law, including but not limited to the Real Estate Settlement Procedures Act, Equal Credit Opportunity Act, Truth In Lending, Home Mortgage Disclosure Act, and Fair Credit Reporting Act, and where appropriate, questions on the Indiana loan broker law, rules and regulations contained in Ind. Code Chapter 23-2-5 and Ind. Admin. Code Chapter 710 IAC 1-22.
- (2) Provide for review and approval of the Division the pool of questions to use for examinations in Indiana.
- (3) Design and produce a loan broker candidate information handbook that is customized to meet the needs of the Division and distribute sufficient quantities to the Division and other designated parties upon request.
- (4) Obtain the Division's approval for the initial handbook and any subsequent versions as well as any other candidate information material.
- (5) Delivery of examination services:
  - a. offer examinations in at least five (5) testing centers with at least one (1) center offering daily testing in Indiana and adjoining states These testing centers must be available Monday through Friday for testing and have the capacity to hold at least ten (10) examinees in one (1) session. All test center locations shall be approved by the Division.

- b. provide a toll-free telephone and internet-based reservation system, schedule examination appointments and provide confirmation numbers for all candidates through the vendor's toll-free telephone and internet-based reservation system.
  - c. collect examination fees from the candidates during registration. Fees must be accepted in the form of credit card, debit card, personal check by phone, or by pre-purchasing a voucher.
  - d. obtain Division approval for the *principal manager* and *originator* examination fees and on fee changes.
  - e. provide immediate candidate score reports following the examination administration at each testing center. Failing score reports will include diagnostics for each component of each examination administered and scheduling information for retaking the examinations.
  - f. provide to the Division candidate score reports by close of the following business day following completion of the examination.
  - g. take appropriate steps to ensure accessibility of examination to persons with disabilities and otherwise comply with all requirements of the Americans with Disabilities Act.
  - h. provide to the Division a monthly summary of examination registrations, summary of attendance, and a summary of examination performance.
  - i. provide for candidate review of the loan broker examination in accordance with guidelines mutually agreed upon by the Division and vendor.
- (6) Administer the *principal manager* and *originator* registration examinations for the Division. All examinations administered shall conform to the requirements of Indiana law, rules, and regulations.
- (7) Provide the services through a computer based testing system. This system includes on-site examination scoring, the issuance of score reports to the Division, and the printing of registration applications.
- (8) Promptly address any questions the Division may have concerning the examination content, the grading and scoring.
- (9) Adequate methods and procedures for safeguarding confidentiality and securing the information will be provided.
- (10) The data shall remain the property of the Division at all times and shall not, under any circumstances, be divulged to other parties without the express permission of the Division. The vendor's personnel shall only have access to the data for maintenance of the system, unless specifically authorized by the Division.
- (11) The vendor shall ensure that input personnel and those persons with access to the information have adequate security clearances. The Division reserves the right to initiate background checks on these individuals.

- (12) The system's security shall be protected with unique user identifications and passwords at the system, file, and function level. The Division shall provide a list of personnel who are authorized to access the data; the system shall incorporate this list and update it as required.

## 2.5 MINORITY & WOMEN'S BUSINESS ENTERPRISES PARTICIPATION PLAN

A properly completed and signed MWBE Participation Plan (Attachment B) must be included as part of the proposal. Respondents must indicate the name of the IDOA certified racial minority and IDOA certified woman owned firm(s) with which it will work; the contact name and phone number at the firm(s); the service supplied by the firm(s); and the specific dollar amount from this contract that will be directed toward each firm. If the above mentioned goals (1.20) can not be achieved by directing proceeds from this contract toward IDOA certified racial minority and IDOA certified woman owned enterprises, the respondent may demonstrate that an amount, equal to each of the above goals, of the firms overall annual proceeds (from all business) are directed to IDOA certified racial minority and/or woman owned enterprises. Please note: Respondents' claims for participation will be validated prior to contract award.

## 2.6 INDIANA ECONOMIC IMPACT

All companies desiring to do business with state agencies must complete an "Indiana Economic Impact" form (Attachment C). The form asks for, among other information:

- a. The amount of the contract that is being allocated for payroll and benefits to Indiana residents
- b. The amount that is being awarded to Indiana subcontractors and suppliers
- c. The amount that is being subcontracted to Indiana certified minority and women owned businesses

The collection and recognition of the information collected with the Indiana Economic Impact form places a strong emphasis on the economic impact a project will have on Indiana and its residents regardless of where a business is located. The collection of this information does not restrict any company or firm from doing business with the state.

## **SECTION THREE PROPOSAL EVALUATION**

### **3.1 PROPOSAL EVALUATION PROCEDURE**

The Division has selected a group of personnel to act as a proposal evaluation team. Subgroups of this team, consisting of one or more team members, will be responsible for evaluating proposals with regard to compliance with RFP requirements. All evaluation personnel will use the evaluation criteria stated in Section 3.2.

The procedure for evaluating the proposals against the evaluation criteria will be as follows:

- 3.1.1 Each proposal will be evaluated for form on a pass/fail basis. Proposals that are incomplete or otherwise do not conform to proposal submission requirements will normally be eliminated from consideration. Respondents should note that agreement to the Division's mandatory contract clauses is required in the Transmittal Letter and will be evaluated for such under the form category.
- 3.1.2 Each proposal will be evaluated on the basis of the categories included in Section 3.2. A point score will be established for each category.
- 3.1.3 If technical proposals are close to equal, greater weight could be given to price.
- 3.1.4 Based on the results of this evaluation, the qualifying proposal determined to be the most advantageous to the Division, taking into account all of the evaluation factors, may be selected by the Division for further action, such as contract negotiations. If, however, the Division decides that no proposal is sufficiently advantageous to the Division, the Division may take whatever further action is deemed necessary to fulfill its needs. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the respondent, the Division may begin contract preparation with the next qualified respondent or determine that no such alternate proposal exists.

### **3.2 EVALUATION CRITERIA**

Proposals will be evaluated based upon the proven ability of the respondent to satisfy the requirements of the RFP in a cost-effective manner. Each of the evaluation criteria categories is described below with a brief explanation of the basis for evaluation in that category. The percentage of the total point score associated with each category is indicated following the category name (total maximum points = 100).

#### **3.2.1 Adherence to Requirement (20 points)**

Vendor's ability to comply with the Division's requirements and work with the Division.

#### **3.2.2 Overall Management Judgment (20 points)**

Vendor's experience with development and administration of licensing/registration examinations for loan brokers and loan originators.

Vendor's understanding of the needs of the Division and its duty to serve the citizens of Indiana.

3.2.3 Indiana Economic Impact (20 points)

See Section 2.6 for additional information.

(The amount of the project being allocated for gross payroll and related fringe benefits for employees that live in Indiana + the amount allocated for subcontractors and suppliers located in Indiana + the amount allocated for State of Indiana certified minority and/or women owned businesses located in Indiana) divided by (the total amount of the proposal) = percentage of proposal's impact on the Indiana economy.

The percentage impact on the Indiana economy will be multiplied by the points allocated for Indiana Economic Impact (Section 3.2) and the resulting number will be the points awarded for Indiana Economic Impact.

3.2.4 Price (20 points)

Cost of development and administration of *principal manager* and *originator* registration examination based on estimated cost per examination candidate to be paid for by examination candidate.

3.2.5 Minority (10 points) & Women's Business (10 points) Participation Plan (20 points).

Points for each element will be awarded by the corresponding participation indicated in the response in relation to the required amount set out in the Request for Proposal.

Points will be calculated and awarded as follows: The percentage of IDOA certified Minority and/or Women's participation will be multiplied against the total amount of the respondent's proposal. The amount actually proposed for IDOA certified Minority and/or Women's participation will be divided by the maximum or denominator. The resulting percentage will be multiplied against the total points allowed, currently 10 points for each category. The result will be the points scored for that response.

PROPOSAL CERTIFICATION

Responses to this solicitation serve as a warrant that the responding entity has properly registered as required by law with the Secretary of State and that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana, and it agrees that it will immediately notify the Division of any such actions. The respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana. Any respondent agrees that the Division may confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that the Division may bar the respondent from contracting with the Division, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the State and has submitted proof of such payment to the Division.

All proposals will be reviewed by members of the Division. References may be contacted. It is possible that persons participating in the selection process, through the Division, will interview finalists. The Securities Commissioner or his designee will, in the exercise of his sole discretion, determine which proposals offer the best means of servicing the interests of the Division. The exercise of this discretion will be final.